VZCZCXYZ0006 OO RUEHWEB

DE RUEHKT #0781/01 0820947 ZNY CCCCC ZZH O 230947Z MAR 06 FM AMEMBASSY KATHMANDU TO RUEHC/SECSTATE WASHDC IMMEDIATE 0842 INFO RUEHBJ/AMEMBASSY BEIJING PRIORITY 4084 RUEHLM/AMEMBASSY COLOMBO PRIORITY 4354 RUEHKA/AMEMBASSY DHAKA PRIORITY 9437 RUEHIL/AMEMBASSY ISLAMABAD PRIORITY 2337 RUEHLO/AMEMBASSY LONDON PRIORITY 3742 RUEHNE/AMEMBASSY NEW DELHI PRIORITY 9415 RHEFDIA/DIA WASHDC PRIORITY RHHMUNA/CDR USPACOM HONOLULU HI PRIORITY RUEKJCS/SECDEF WASHDC PRIORITY RUEAIIA/CIA WASHDC PRIORITY RHEHNSC/NSC WASHDC PRIORITY

C O N F I D E N T I A L KATHMANDU 000781

SIPDIS

SIPDIS

DEPT FOR SCA/INS, NSC FOR MILLARD

E.O. 12958: DECL: 03/23/2016

TAGS: PGOV PTER NP

SUBJECT: DEUBA NOT OPTIMISTIC KING WILL REACH OUT

REF: A. KATHMANDU 762

¶B. KATHMANDU 768

Classified By: Ambassador James F. Moriarty. Reasons 1.4 (b/d).

No Sign From King

11. (C) In a March 18 meeting with the Charg, Former Prime Minister and current President of the Nepali Congress Democratic party Sher Bahadur Deuba was not optimistic that the King would reach out to the Parties. Deuba noted that the King was "very clever" in saying he wanted democracy, but in reality, the King "desired to rule." He opined that the King listened to no one, and would not leave the country, no matter what the cost. Deuba said the Parties were not against the monarchy, though younger party workers increasingly called for a republic, as did ethnic groups and people in the terai. Thus, a republic "might happen one day." He stated that though many Party members still saw him as a royalist, it was "unlikely" the King would ask him to again be Prime Minister. He had tried to work with the King on a number of occasions, but it was now clear the King's "ambition is too powerful." Deuba praised President Bush "for his efforts to spread democracy."

Deuba Wary of Maoists

 $\P 2$ . (C) Deuba assured the Charg that he remained skeptical of Maoist intentions to give up violence. The Parties were committed to peaceful changes, and therefore could not join forces with a group that continued to use violence. Thus, he had strongly urged the seven-party alliance to sign separate, parallel statements rather than one joint document with the Maoists (ref A). He noted that Nepali Congress (NC) President G.P. Koirala had come under strong pressure from within the alliance, including elements of his own party, to sign a joint statement. Deuba claimed credit for stiffening Koirala's resolve not to do so. He noted that in his meeting with Chinese State Councilor Tang Jiaxuan on March 17 (ref B), he had told Tang that while the Maoists continued to target and kill political party workers, the King was doing nothing to reach out to Parties. He was pleased that China was urging the King to reach out to the legitimate

"constitutional forces."

## President's Statement Helpful

13. (C) Deuba thanked the U.S. for supporting democracy in Nepal and for urging the King's government to release him from prison on charges brought by the Royal Commission on Corruption Control. He stressed that he "highly valued" the relationship between the United States and Nepal, and appreciated President Bush's recent statement on Nepal while in India, noting that it was "very helpful" to have a strong statement to encourage the King to talk to the Parties and to urge the Maoists to give up violence. Deuba applauded the President for being "helpful to people fighting for democracy all over the world." Deuba said he planned to visit India in late April or early May to discuss the situation in Nepal. He commented that he did not know how strong an influence India had over the Maoists. He noted that while international facilitation of dialogue could be "good for the country," India "would not accept" it.

## Biographic Note

14. (C) Deuba's wife, Arzu Rana Deuba, a member of Nepal's aristocracy, was an active participant in the conversation. She is accompanying him on his current trip to the U.S. Expressing herself far more forcefully than her husband, she evinced strongly negative attitudes toward King Gyanendra. While she acknowledged her resentment of the King for his treatment of her husband, she also claimed the King's stubbornness was a lifelong trait. "I have known him since we were children," Mrs. Deuba said. "He never listened to anyone's advice then, and he still does not today." Mrs. Deuba speculated that this character trait might have to do with the fact that the King was brought up with the knowledge that he had briefly been crowned King at the age of three, during a period when the Nepalese royal family had sought refuge in India.

## Comment

15. (C) Local media continues to criticize Deuba for being too close to the U.S. and hostile to the Maoist-Parties 12-point agreement. In the recent intra-seven party dialogue surrounding the signing of the parallel statements on March 19, Deuba clearly tried to reposition himself as part of the alliance, while privately assuring us that his strong doubts about Maoists remain.

MORIARTY